

AT A REGULAR MEETING OF THE BOARD OF SUPERVISORS OF MONTGOMERY COUNTY, VIRGINIA HELD ON THE 13TH DAY OF AUGUST, 2012 AT 6:30 P.M. IN THE BOARD CHAMBERS, MONTGOMERY COUNTY GOVERNMENT CENTER, 755 ROANOKE STREET, CHRISTIANSBURG, VIRGINIA:

PRESENT:	James D. Politis	-Chair
	William H. Brown	-Vice Chair
	Gary D. Creed	-Supervisors
	Annette S. Perkins	
	Christopher A. Tuck	
	Matthew R. Gabriele	
	F. Craig Meadows	-County Administrator
	L. Carol Edmonds	-Deputy County Administrator
	Martin M. McMahon	-County Attorney
	Angie Hill	-Financial and Management Services Director
	Marc Magruder	-Budget Manager
	Ruth Richey	-Public Information Officer
	Judy W. Kiser	-Assistant to the County Administrator
ABSENT:	Mary W. Biggs	-Supervisor

CALL TO ORDER

The Chair called the meeting to order.

INTO CLOSED MEETING

On a motion by William H. Brown, seconded by Gary D. Creed and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby enters into Closed Meeting for the purpose of discussing the following:

- Section 2.2-3711 (1) Discussion, Consideration or Interviews of Prospective Candidates for Employment, Assignment, Appointment, Promotion, Performance, Demotion, Salaries, Disciplining, or Resignation of Specific Officers, Appointees or Employees of Any Public Body
1. Agency on Aging
 2. Montgomery Tourism Development Council
 3. Planning Commission

4. Transportation Safety Commission
5. Personnel

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
William H. Brown	None	Mary W. Biggs
Gary D. Creed		
Annette S. Perkins		
Christopher A. Tuck		
Matthew R. Gabriele		
James D. Politis		

OUT OF CLOSED MEETING

On a motion by Christopher A. Tuck, seconded by Matthew R. Gabriele and carried unanimously,

BE IT RESOLVED, The Board of Supervisors ends their Closed Meeting to return to Regular Session. The vote was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Christopher A. Tuck	None	Mary W. Biggs
Matthew R. Gabriele		
Gary D. Creed		
Annette S. Perkins		
William H. Brown		
James D. Politis		

CERTIFICATION OF CLOSED MEETING

On a motion by William H. Brown, seconded by Matthew R. Gabriele and carried unanimously,

WHEREAS, The Board of Supervisors of Montgomery County has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certification by the Board that such Closed Meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, That the Board of Supervisors of Montgomery County, Virginia hereby certifies that to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion conveying the closed meeting were heard, discussed or considered by the Board.

The vote on the foregoing resolution was as follows:

AYES

William H. Brown
Matthew R. Gabriele
Annette S. Perkins
Gary D. Creed
Christopher A. Tuck
James D. Politis

NAYS

None

ABSENT DURING VOTE

Mary W. Biggs

ABSENT DURING MEETING

Mary W. Biggs

INVOCATION

The Chair invoked a moment of silence.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

INTRODUCTION

Tourism Director

The County Administrator introduced the Tourism Director, Lisa Bleakley. Providing some background information to the Board, Ms. Bleakley explained that she comes from Virginia Beach where she was Assistant General Manager of Sales and Services for the Virginia Beach Convention Center. She is an adjunct instructor at ODU, and a Navy veteran. Members of the Board of Supervisors welcomed Ms. Bleakley to Montgomery County.

DELEGATION

Virginia Department of Transportation

VDoT's Residency Administrator David Clarke updated the Board on recent VDoT activities. VDoT is basically doing normal summer maintenance, a lot of resurfacing with the basic tar and

gravel type of paving. They are using a different type of treatment which has more, smaller stone in it which is actually working much better. Some roads have been completed in the Elliston and Blacksburg areas.

Blue Springs Road (SR 613) Bridge project is underway and is expected to be completed in approximately one year. On the south side of the bridge there is a detour through Pulaski County. VDOT plans to surface treat the approximately .2 mile of the detour that is unpaved to avoid maintenance issues this winter.

Willis Hollow Road (SR 609) project is, for the most part, completed. Work on the bridge is expected to commence shortly.

I-81 at Route 8 A lot of survey work is being done in the area surrounding the bridges on I-81 over Route 8. VDOT is gathering survey information in the surrounding area. Replacing the bridges is still several years away.

Members of the Board of Supervisors had the following questions for Mr. Clarke:

I-81 Sign at Exit 118C Supervisor Bill Brown recently saw Mike Patel, who came before the Board of Supervisors in March and asked that the exit 118C sign on I-81 that reads “Shawsville/Elliston” to include Christiansburg. The County Administrator sent Mr. Patel a copy of the letter from VDOT dated March 5, 2012 advising that an additional sign would be installed within 90 days. According to Mr. Patel, the new sign has not been installed.

Mr. Clarke reported that VDOT is working on the signs on US 460 at the Montgomery County line, and working on better signage for Route 8 going south out of Christiansburg where the traffic has to merge.

Route 114-Pepper’s Ferry Road Supervisor Chris Tuck asked if the Pepper’s Ferry Road project includes a right turn lane at Majestic Drive going toward Christiansburg on Pepper’s Ferry Road. There have been several accidents, with Majestic being used as a quick cut-through. Mr. Clarke said he would find the answer and forward to Supervisor Tuck.

I-81 sign for Route 8 at exit 114. Supervisor Jim Politis pointed out that the I-81 sign for the 114 exit to Christiansburg/Floyd should include Riner.

PUBLIC HEARING

Montgomery County becoming a Member of the Blacksburg-Christiansburg-VPI Water Authority

Montgomery County becoming a member of the Blacksburg-Christiansburg-VPI Water Authority (the “Authority”) and on the Amendment and Restatement of the Articles of Incorporation of the Authority, the Joinder Agreement, and the Amended and Restated Water Agreement to accomplish such purpose and to change the name of the Authority to the NRV Regional Water Authority.

The County Attorney explained the purpose of the public hearing was to gather input on the County's request to become a member of the Authority. All members of the Authority must hold a public hearing; approve the terms of the Joinder Agreement; approve a Water Agreement; Amend and Restate the Articles of Incorporation, and change the name of the Authority to the NRV Regional Water Authority.

Supervisor Gary Creed wants to make sure that Public Service Authority (PSA) customers understand what this means to them. If the County joins the water authority, ten years down the road these PSA customers may face a six-fold increase in their water rates. Supervisor Creed questioned whether these citizens have been properly notified in order for them to make a decision on what they would like to do, or what they would not like to do.

Supervisor Bill Brown believes that in ten years the customer base for the PSA will grow due to development, adding 300 to 400 customers to the base.

Supervisor Chris Tuck brought up the importance of having a reliable water source in order for the County to grow. With new transmission lines being run people will be able to tap into those lines which increases our customer base and lowers the cost for all the customers. Supervisor Tuck is also concerned about water from the arsenal being available in the event there is a national crisis and the arsenal would have to increase production.

Supervisor Creed pointed out that the County does have alternatives such as the City of Radford and Pulaski County, either of whom could supply sufficient amounts of water to Montgomery County. He repeated his concern about PSA customers not being properly notified, and some of the most financially stressed citizens are PSA customers. He perceives this to be something the Board should take a good look at and not rush through the process and place a financial burden on those who are least able to afford it.

Supervisor Matt Gabriele reminded everyone that the Board would not be voting on this issue at this meeting. This is a public hearing, and the two towns also have to schedule public hearings. He asked for clarification on how the water prices will be determined.

Jerry Higgins, Executive Director of the Blacksburg-Christiansburg-VPI Water Authority, responded that it will be essentially at cost. The Authority does have a financial plan that goes forward approximately 25 years. Currently the cost of water to all the members is the same, \$1.81 per 1,000 gallons, which would also be the cost to the County and the PSA. Their financial plan shows that the cost of water will go up to \$3.35 in ten years. When asked what customers in Blacksburg and Christiansburg are paying he gave a ball park figure of \$3-\$4.

Supervisor Politis believes the customers who live outside the town limits of Christiansburg are paying \$6.90, and Mr. Higgins believes the rates are similar for citizens living outside the Blacksburg town limits.

The County Administrator provided information prepared by the PSA Director. The current rate of \$6.80 projecting out at 2025, assuming approximately a 2% annual rate increase in the cost of the wholesale water from the Authority, and then about every second or third year a 3% operational cost increase for the PSA and assuming no growth, the rate goes from the current rate of \$6.80 to \$11.68 in 2025, an increase of less than \$5 per 1,000 gallons. This assumes no

growth in the system and also assumes no fees from developers for capacity, keeping the same number of customers the PSA has now.

Supervisor Tuck asked if a major transmission line going through Vicker would bring a fair amount of new customers as a result of having the water being brought through the middle of the county. The PSA Director explained that the area is zoned for limited growth and would have to be rezoned in order for the transmission line to go through.

In view of the foregoing discussion, Supervisor Creed recognized that the projected increase would not be as much as he initially thought, but would still have a profound impact on PSA customers.

There being no speakers, the public hearing was closed.

PUBLIC ADDRESS SESSION

Roy Musselman who resides at 206 Hickok Street in Christiansburg, asked the Board, on behalf of his grandson, that the Board provide funds (\$50,000) to the schools to re-instate the bus stops that have been eliminated on the school bus routes.

Shawna Hall 1465 Westview Drive, Christiansburg, has one child in middle school and one child in elementary. The bus stop for her children was one of the 200+ bus stops that were eliminated. She was told by the school superintendent that the bus stops cannot be changed. She asked the Board of Supervisors to help her get bus stops re-instated.

CONSENT AGENDA

On a motion by Christopher A. Tuck, seconded by Matthew R. Gabriele and carried unanimously, the Consent Agenda dated August 13, 2012 was approved. The vote was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Christopher A. Tuck	None	Mary W. Biggs
Matthew R. Gabriele		Gary D. Creed (absent during vote)
William H. Brown		
Annette S. Perkins		
James D. Politis		

Approval of Minutes of May 14 and May 29, 2012

On a motion by Christopher A. Tuck, seconded by Matthew R. Gabriele and carried unanimously, the minutes dated May 14, 2012 and May 29, 2012 were approved.

A-FY-13-21
RECONCILING REVENUE ACCOUNTS

On a motion by Christopher A. Tuck, seconded by Matthew R. Gabriele and carried unanimously,

BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that the General Fund is adjusted for the fiscal year ending June 30, 2013, for the function and in the amount as follows:

Total Expense	\$ 0
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The sources of the funds for the foregoing appropriation are as follows:

<u>Revenue Account</u>		
423100	Shared Expenses	(\$47,949)
422103	Motor Vehicle Carrier Tax	(\$22)
424409	State Library Grant	\$2,062
424412	VJCCCA Grant	(\$4)
451203	Undesignated Fund Balance	<u>\$ 45,913</u>
	Total Revenue	\$ 0

Said resolution adjusts revenue estimates for constitutional officers, the Registrar, the Regional Library, the Virginia Juvenile Community Crime Control Act, and motor vehicle carrier tax estimates for FY 13 based on the approved FY 13 Compensation Board budgets and actual state aid to locality reductions.

A-FY-13-22
CLERK OF CIRCUIT COURT
RECORD PRESERVATION GRANT

On a motion by Christopher A. Tuck, seconded by Matthew R. Gabriele and carried unanimously,

BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that the General Fund was granted an appropriation in addition to the annual appropriation for the fiscal year ending June 30, 2013, for the function and in the amount as follows:

250	Clerk of Circuit Court	\$9,688
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The source of the funds for the foregoing appropriation is as follows:

<u>Revenue Account</u>		
22511	424401 Record Preservation Grant	\$9,688

Said resolution appropriates grant funds to be used to restore record books.

A-FY-13-23
FIRE AND RESCUE
CAPITAL PROJECTS TRANSFER

On a motion by Christopher A. Tuck, seconded by Matthew R. Gabriele and carried unanimously,

BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that a transfer of appropriation within the County Capital Projects Fund is hereby authorized, as follows:

FROM:

123301	Fire and Rescue Capital Reserve	(\$4,427)
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TO:

123302BB	Blacksburg Rescue Capital Projects	\$4,427
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Said resolution transfers appropriated CIP funds to add monies to an existing Fire and Rescue Capital Project to purchase equipment approved by the Fire and Rescue Commission.

A-FY-13-24
SCHOOL OPERATING FUND
CARRYOVER YEAR-END ENCUMBRANCES

On a motion by Christopher A. Tuck, seconded by Matthew R. Gabriele and carried unanimously,

BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that the General Fund is granted an appropriation in addition to the annual appropriation for the fiscal year ending June 30, 2013, for the function and in the amount as follows:

451200	Transfer to School Operating Fund	\$614,822
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The source of funds for the foregoing appropriation is as follows:

451203	Undesignated Fund Balance	\$614,822
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BE IT FURTHER RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that the School Operating Fund was granted an appropriation in addition to the annual appropriation for the fiscal year ending June 30, 2013, for the function and in the amount as follows:

School Operating

610000	Instruction	\$ 284,973
620000	Admin, Attend, & Health	\$ 4,301
630000	Transportation	\$ 15,353

640000 Operation and Maintenance	\$ 310,195
Total Funds	\$ 614,822

The source of funds for the foregoing appropriation is as follows:

Revenue Account:

451100 Transfer from General Fund	\$ 614,822
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Said resolution reappropriates monies supporting the balances of outstanding purchase orders for the schools.

**A-FY-13-25
TECHNOLOGY RESERVE FUND
CARRYOVER FUNDS FROM FY 12**

On a motion by Christopher A. Tuck, seconded by Matthew R. Gabriele and carried unanimously,

WHEREAS, The Board of Supervisors approved establishment of a Technology Reserve Fund on October 11, 2005; and

WHEREAS, \$421,691 additional dollars can be added to the fund from the Information Technology's 2012 savings; and

WHEREAS, The actual cost and timeframe for implementation of some technology projects has not yet been established.

NOW THEREFORE BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that the Technology Reserve Fund be increased by \$421,691 to cover the future costs of technology projects for a total balance of \$564,904.

**A-FY-13-26
LINE OF DUTY RESERVE FUND
ESTABLISH AND CARRYOVER FUNDS FROM FY 12**

On a motion by Christopher A. Tuck, seconded by Matthew R. Gabriele and carried unanimously,

WHEREAS, The state previously covered the cost of line of duty benefits; and

WHEREAS, The state decided it would now be the responsibility of the locality to pay for these expenses starting in fiscal year 2012; and

WHEREAS, The Board of Supervisors approved \$51,096 in the fiscal year 2012 budget to begin paying these costs; and

WHEREAS, \$41,593 of these funds remained at the end of Fiscal Year 12.

NOW THEREFORE BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that Montgomery County establishes a Line of Duty Reserve Fund with the remaining \$41,593 to pay for future line of duty expenses incurred in future fiscal years.

NEW BUSINESS

R-FY-13-15 RESOLUTION OF THE BOARD OF SUPERVISORS OF MONTGOMERY COUNTY, VIRGINIA WITH RESPECT TO ISSUANCE OF REVENUE BONDS BY THE ECONOMIC DEVELOPMENT AUTHORITY OF MONTGOMERY COUNTY, VIRGINIA AND BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF CRAIG COUNTY, VIRGINIA

Supervisor Annette Perkins stated for the record that she has no problem whatsoever and would be delighted to vote for this issuance, but because of other concerns she believes it would be inappropriate for her to vote and noted her intent to abstain.

On a motion by William H. Brown, seconded by Matthew R. Gabriele and carried unanimously,

WHEREAS, The Economic Development Authority of Montgomery County, Virginia (the "Authority"), has considered the request of Warm Hearth Inc. and NRV Nursing Center, Incorporated (the "Applicants"), each a non-profit organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), to issue the Authority's revenue bond or other obligation in an aggregate principal amount not to exceed \$11,300,000 (the "Bond"); and

WHEREAS, Proceeds of the Bond will be used, together with other funds provided by or on behalf of the Applicants, to assist the Applicants in (a) refunding all or a portion of the Authority's Residential Care Facility Revenue Bonds (Warm Hearth Project), Series 1998 (the "Refunded Bonds"), originally issued in the aggregate principal amount of \$14,215,000, which financed, among other things, the costs of acquiring, constructing, and equipping an approximately 120 bed nursing and assisted living facility consisting of approximately 64,000 square feet located on approximately 5 acres located at 1000 Litton Drive, Blacksburg, Virginia 24060 and 15 independent senior living townhome units located on approximately 25 acres within the Warm Hearth Village located at 2603 Warm Hearth Drive, Blacksburg, Virginia 24060, in Montgomery County, Virginia (the "Project"); and (b) paying certain costs of issuance relating to the Bond; and

WHEREAS, Section 147(f) of the Code provides that the governmental unit having jurisdiction over the issuer of private activity bonds and over the area in which any facility financed with the proceeds of private activity bonds is located must approve the issuance of the bonds and Sections 15.2-4905 and 15.2-4906 of the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), set forth the procedure for such public and related approvals; and

WHEREAS, Since the Authority issues bonds on behalf of Montgomery County, Virginia (“Montgomery County”), the Project is located in Montgomery County and the Board of Supervisors of Montgomery County (the “Board”) constitutes the highest elected governmental unit of Montgomery County, it is required that the Board approve the issuance of the Bond; and

WHEREAS, Following a public hearing held on July 17, 2012, the Authority adopted an inducement resolution (the “Inducement Resolution”) with respect to the issuance of the Bond, and the Inducement Resolution also approved the issuance of the Bond and recommended the Board approve the issuance of the Bond; and

WHEREAS, A copy of the Inducement Resolution, the action taken by the Authority with respect to the public hearing and a Fiscal Impact Statement have been filed with the Board; and

WHEREAS, Simultaneously with the issuance of the Bond, the Industrial Development Authority of Craig County, Virginia (the “Craig Authority”) may also issue its revenue bond or other obligation (the “Craig Bond”) to assist the Applicants in financing or refinancing the Project; and

WHEREAS, Since the Project is located in Montgomery County, it is required that the Board also approve the issuance of the Craig Bond; and

WHEREAS, The Craig Authority adopted an inducement resolution (the “Craig Inducement Resolution”) with respect to the issuance of the Craig Bond on June 20, 2012, and following a public hearing held on July 18, 2012, adopted a separate resolution recommending and requesting that the Board concur in the Craig Inducement Resolution and approve the issuance of the Craig Bond; and

WHEREAS, The Authority recommends and requests that the Montgomery Board concur in the Craig Inducement Resolution and approve of the issuance of the Craig Bond by the Craig Authority with respect to the Project; and

WHEREAS, A copy of the Craig Inducement Resolution, the action taken by the Craig Authority with the respect to the public hearing and a separate Fiscal Impact Statement relating to the Craig Authority have been filed with the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF MONTGOMERY COUNTY, VIRGINIA:

1. Approval of Bond. The Board approves the issuance by the Authority of the Bond in the aggregate principal amount not to exceed \$11,300,000, for the benefit of the Applicants, as required by Section 147(f) of the Code and Section 15.2-4906 of the Virginia Code, to permit the Authority to assist the Applicants in financing or refinancing the Project.
2. Approval of Craig Bond. The Board concurs in the Craig Inducement Resolution and approves the issuance by the Craig Authority of the Craig Bond in the aggregate principal

amount not to exceed \$11,300,000, for the benefit of the Applicants, as required by Section 147(f) of the Code and Sections 15.2-4905 and 15.2-4906 of the Virginia Code, to permit the Authority to assist the Applicants in financing or refinancing the Project.

3. **Montgomery County Not Obligated.** The approval of the issuance of the Bond and the Craig Bond does not constitute an endorsement to a prospective purchaser of the creditworthiness of the Project or the Applicants and, as to the extent required by Section 15.2-4909 of the Virginia Code, the Bond and the Craig Bond shall each provide that neither Montgomery County nor the Authority shall be obligated to pay the Bond or the Craig Bond or the interest thereon or other costs incident thereto except from the revenues and moneys pledged therefor, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia nor any political subdivision thereof, including Montgomery County and the Authority, shall be pledged thereto.
4. **Effective Date.** This resolution shall take effect immediately upon its adoption.

The vote on the foregoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>	<u>ABSTAIN</u>
William H. Brown	None	Mary W. Biggs	Annette S. Perkins
Gary D. Creed			
Matthew R. Gabriele			
Christopher A. Tuck			
James D. Politis			

R-FY-13-16
STATE BUDGET CUTS METHOD
OF REIMBURSEMENT FOR FY 2013

On a motion by Matthew R. Gabriele, seconded by William H. Brown and carried unanimously,

WHEREAS, The 2012 Appropriations Act requires the reduction in state aid to local governments in FY 2013; and

WHEREAS, The Act also provides three methods from which a locality can choose to carry out the required reduction which include:

1. Take the reduction from one or more programs on a list provided by the Department of Planning and Budget,
2. Make a reimbursement payment directly to the state for the total locality reduction,
3. Elect a combination of reductions and reimbursement payments,

WHEREAS, The Department of Planning and Budget identified Montgomery County's reduction for FY 2013 totaling \$344,671.

NOW, THEREFORE, BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that Montgomery County elects to take the reduction from one or more programs on a list provided by the Department of Planning and Budget, as the method to address the required state mandated funding reduction.

The vote on the foregoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Matthew R. Gabriele	None	Mary W. Biggs
William H. Brown		
Gary D. Creed		
Annette S. Perkins		
Christopher A. Tuck		
James D. Politis		

R-FY-13-17
DECLARATION OF LOCAL EMERGENCY
ON JUNE 30, 2012 DUE TO DERECHO STORM DAMAGE
AND SEVERE POWER OUTAGES DURING EXTENDED HEAT WAVE

On a motion by William H. Brown, seconded by Christopher A. Tuck and carried unanimously,

WHEREAS, Pursuant to Section 44-146.21 of the Code of Virginia, on June 30, 2012 at 10:00 a.m. a local emergency was declared in Montgomery County due to Derecho storm damage and severe power outages throughout the County, leaving approximately 20,000 citizens without power during an extended heat wave; and

WHEREAS, This declaration was determined necessary by the County Administrator and the Emergency Services Coordinator; and

WHEREAS, The Board of Supervisors could not convene to declare a local emergency and so the Board desires to confirm at their next regularly scheduled meeting the existence of a local emergency due to Derecho storm damage and severe power outages throughout the County.

NOW, THEREFORE, IT IS HEREBY PROCLAIMED, By the Board of Supervisors of Montgomery County, Virginia that an emergency existed throughout the County of Montgomery, Virginia on June 30, 2012; and

IT IS FURTHER PROCLAIMED AND ORDERED, That during the existence of said emergency the powers, functions, and duties of the Director of Emergency Services and the Emergency Services Coordinator, shall be those prescribed by state law and the ordinance, resolutions, and approved plans of the County of Montgomery in order mitigate the effects of said emergency.

The vote on the foregoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
William H. Brown	None	Mary W. Biggs
Gary D. Creed		
Annette S. Perkins		
Christopher A. Tuck		
Matthew R. Gabriele		
James D. Politis		

INTO WORK SESSION

On a motion by Matthew R. Gabriele, seconded by Annette S. Perkins and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby enters into Work Session for the purpose of discussing the following:

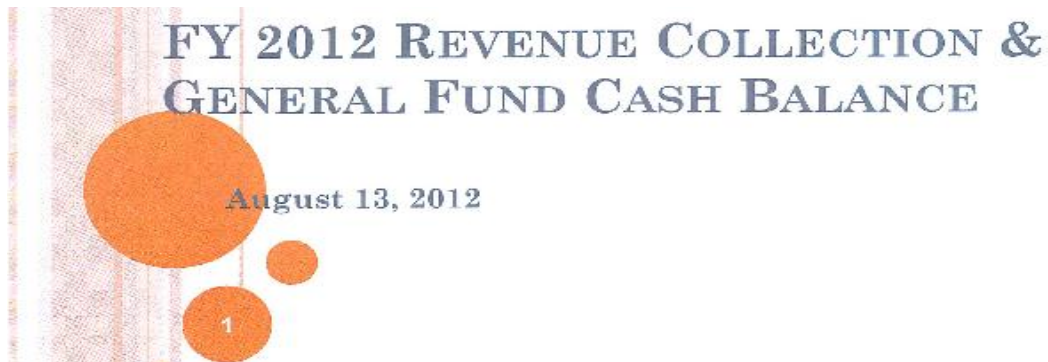
1. FY 2012 Carryover Funds
2. Tax Relief for the Elderly and Disabled

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Matthew R. Gabriele	None	Mary W. Biggs
Annette S. Perkins		
Gary D. Creed		
William H. Brown		
Christopher A. Tuck		
James D. Politis		

FY 2012 Carryover Funds

The Director of Financial and Management Services and the Budget Manager provided information on FY 2012 Revenue Collection & General Fund Cash Balance, as follows



FY 12 REVENUE HIGHLIGHTS

- Total revenues (after the windfall adjustment) exceeded estimates by \$1.57 million or 1.63% of total General Fund budget.
- Designated General Fund and grant revenues were less than the estimates due to timing differences (\$185,655).
- Undesignated Revenues (after the windfall adjustment) exceeded estimates by \$1.75 million or 2.2% of undesignated total of General Fund budget.
 - Increase in mv valuation on the personal property book (\$0.35 million)
 - Delinquent property tax collections (\$0.5 million)
 - Sales and use tax collections over estimates (\$0.5 million)
 - Public Service Corp collections over estimates (\$0.2 million)
 - Prepaid taxes (\$0.2 million)

2

ALL REVENUES

All Revenues	FY 12 Original	FY 12 Revised	FY 12 Actual	Difference	Percent
	Estimate	Estimate			
Total Undesignated Revenue	\$79,517,322	\$79,550,914	\$85,436,241	\$5,885,327	107.40%
Total Designated Agency Revenue	\$14,640,085	\$15,341,371	\$15,680,719	\$339,348	102.21%
Total Grants	\$0	\$1,198,190	\$675,187	(\$523,003)	56.35%
Total	\$94,157,407	\$96,090,475	\$101,792,147	\$5,701,672	105.93%
Windfall Adjustment			(\$4,131,592)		
New Total	\$94,157,407	\$96,090,475	\$97,660,555	\$1,570,080	101.63%

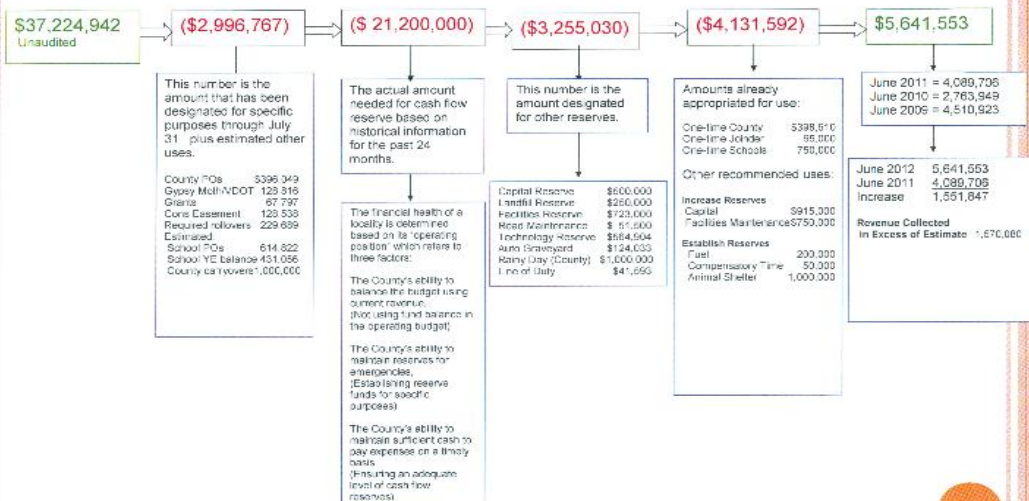
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CONCLUSION ON FY12 REVENUE COLLECTIONS

- Increases in motor vehicle and sales tax collections – show positive signs for revenue growth going forward.
- These increases were known as we developed the FY 2013 budget – allowing us to utilize the projected growth in the FY 2013 Budget and minimize the real estate tax increase needed for debt service.

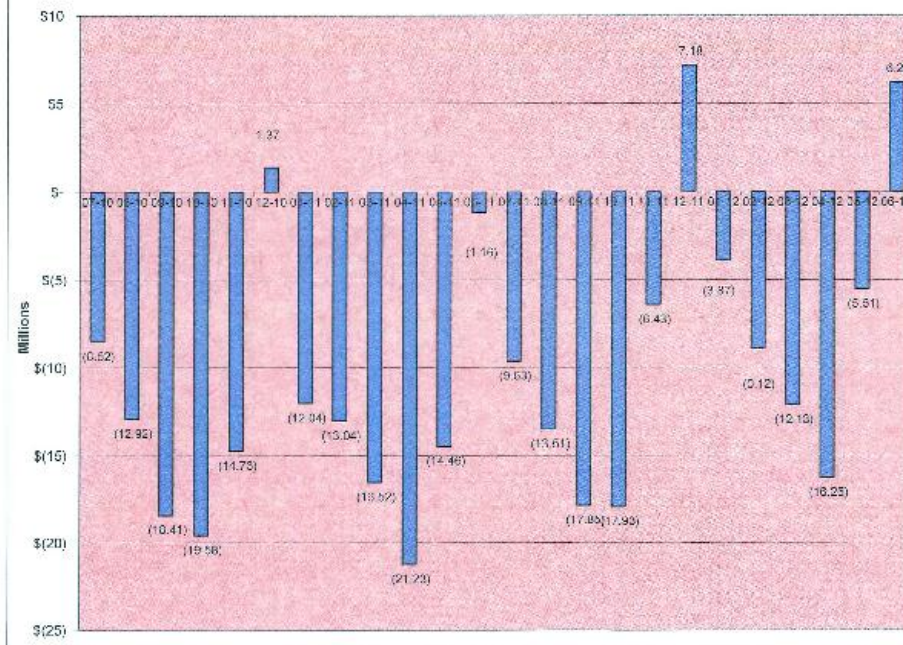
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WHERE IS THE CASH?



5

Cumulative Change in Cash



6

GENERAL FUND CASH BALANCE

Questions?

7

Tax Relief for the Elderly and Disabled

The Deputy County Administrator provided the following information:

Tax Relief for the Elderly and Disabled

August 13, 2012

Purpose

Determine the Board's position on increasing income and/or asset limits or making other changes to the tax relief program for the elderly and disabled.

Background

- ☐ Income increases at one time were based on increases to Social Security.
- ☐ Four years ago the Board adopted a plan to increase the limits in increments of \$5,000 annually moving toward what was then the state maximum income limit of \$50,000. (The state changed the program to allow localities to determine the limits.)
- ☐ The County income limit for the 2012 program was set at \$50,000.

Increase of \$5,000 Last Year

2011	2012	Relief
\$0-\$28,800	\$0-\$32,000	100%
\$28,801-\$36,000	\$32,001-\$40,000	60%
36,001-\$45,000	40,001-\$50,000	40%

Background

- ☐ Asset increases have been based on increases in real estate values during reassessments.
- ☐ Last year, the Board elected to increase the asset limit from \$125,000 to \$150,000.

History

Land Book Year	Asset Limits	
2006	\$80,000	
2007	\$100,000	Reassessment
2008	\$100,000	
2009	\$100,000	
2010	\$100,000	
2011	\$125,000	Reassessment
2012	\$150,000	

State Code Changes

- ☐ Income and asset limits are no longer capped by the State and can be set by the locality.
- ☐ Localities can now extend tax relief for the elderly and disabled to include dwellings that are jointly owned by individuals all of whom are not 65 or totally disabled.

Comparison of Limits 2011 Tax Rate Book (Relief Plans Vary)

	Income	Asset
Montgomery* 2011	\$45,000	\$125,000
Roanoke City	\$42,000	\$160,000
Roanoke County	\$56,566	\$200,000
Salem	\$50,000	\$100,000
Albemarle	\$69,452	\$200,000
Hanover	\$50,000	\$200,000
Bedford	\$35,000	\$200,000

* 2012 \$50,000 and \$150,000

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History

Calendar Year	Income Limits	Percent Increase	Cost	Percent Increase
2003	21,000			
2004	25,000	19.05%	159,690	
2005	26,000	4.00%	204,898	28.31%
2006	26,000	0.00%	222,265	8.48%
2007	28,000	7.69%	247,047	11.15%
2008	30,000	7.14%	282,703	14.43%
2009	35,000	16.67%	329,458	16.54%
2010	40,000	14.29%	393,174	19.34%
2011	45,000	12.50%	524,322	33.36%
2012	50,000	11.11%	763,310	45.58%

History

CITIZENS SERVED (CALENDAR YEAR)

	2011		2012	
	Real Estate	Mobile Home	Real Estate	Mobile Home
% of Relief				
40%	22	2	34	3
60%	62	4	66	4
100%	541	90	622	98
Veteran*	28	1	61	2
Total	653	97	783	107

Percent Inc/Dec

19.91% 10.31%

* Law changed to allow disabled veterans to qualify for 100% exemption from taxes without meeting income and asset limits

Town's Policies

- ☐ Both Towns offer a tax relief program and have maintained the same limits as Montgomery County's ordinance.
- ☐ The Towns and County have made their ordinances consistent to reduce confusion among citizens about the programs.

Questions?

- ☐ Does the Board want to increase the income limit?
- ☐ Does the Board want to increase the asset limits?
- ☐ Does the Board want to consider other changes?

Next Steps

- ☐ Determine if Board wants to change the income and/or asset limits.
- ☐ Determine if two Town councils will also consider the same changes.
- ☐ Decide changes to be made.

Next Steps

- If the Board wants to pursue the changes, the next steps are:
 - Discuss with Commissioner and Towns (9/2012)
 - Decide changes to be made (9/2012)
 - Schedule a public hearing at the 10/8/12 meeting
 - Hold public hearing (11/2012)
 - Vote on ordinance (11/2012)

Staff will schedule a meeting with a representative from the Commissioner of the Revenue's office and representatives from the two towns to discuss what the potential change can be; what the towns would support; what the Commissioner's office is seeing; and report back to the Board of Supervisors.

OUT OF WORK SESSION

On a motion by Gary D. Creed, seconded by Matthew R. Gabriele and carried unanimously,

BE IT RESOLVED, The Board of Supervisors ends their Work Session to return to Regular Session.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Gary D. Creed	None	Mary W. Biggs
Matthew R. Gabriele		
William H. Brown		
Annette S. Perkins		
Christopher A. Tuck		
James D. Politis		

COUNTY ADMINISTRATOR'S REPORT

BoS Extended Work Session on July 30th The County Administrator thanked the Board for their time on July 30th for an all-day session to work on their vision and mission, and goals and objectives. He is in the process of compiling all the information and will provide a report back to the Board as soon as possible.

Update on Supervisor Mary Biggs Supervisor Mary Biggs is doing well after her surgery. The County Administrator received a note from her earlier today asking him to thank the Board on her behalf for the beautiful flowers they sent.

Update on Emergency Services Coordinator Neal Turner ESC Neal Turner had hip replacement surgery earlier today and he is also doing very well. He has e-mailed back and forth with the County Administrator several times.

FY 2014 Revenue Sharing We have received notification from the Virginia Department of Transportation that requests for FY 2014 Revenue Sharing Funds are due from VDOT's local assistance division by November 1, 2012. No projects have been submitted for the past couple of years simply because the state has not caught up with the revenue sharing projects that have been approved in prior years. This may be something the Board wishes to discuss at an upcoming meeting.

BOARD MEMBERS' REPORTS

Supervisor Gary Creed - Revenue Sharing Supervisor Creed addressed the need for road repairs in the County, and is interested in knowing if there are funds available to set aside for some much needed road projects.

Supervisor Matthew Gabriele was invited to a Mt. Tabor Ruritan meeting to talk about various issues. He went to their fish fry and described it as a great event for anyone who has not been. He found them to be a great civic organization.

School Board meeting Supervisor Gabriele attended the last School Board meeting, and there was a lot of discussion about school bus stops being eliminated, and a lot of discussion about what to do with the carry over funds. There were a number of citizens who addressed the School Board about the reduction in the number of school bus stops, with a lot of back and forth with the Superintendent about the rationale of doing this. If the Board of Supervisors decides to reallocate the carry over funds, the School Board may use some of the funds to reinstate the school bus stops that were to be used for the school administration offices to move into Building C at the Government Center.

Supervisor Christopher Tuck announced there is still a vacancy on the Planning Commission for a representative from District E. The vacancy will be advertised again, and hopefully we will soon have a representative for District E on our Planning Commission.

Joinder Agreement Supervisor Tuck believes the Joinder Agreement is the best thing for Montgomery County for the long term future. The Board of Supervisors has to trust the people who were doing the negotiating on behalf of the County and that they got the best possible deal, just as each one of the towns and the water authority themselves tried to get the best deals they could.

Supervisor Annette Perkins echoed Supervisor Tuck's words about the Joinder Agreement.

August 27th BoS meeting Supervisor Perkins will not be at the August 27th BoS meeting, and asked that the Board not take a vote on the Joinder Agreement at that meeting. She expressed her appreciation for the Board's consideration on this matter.

BackCounty ribbon cutting Supervisor Perkins asked for confirmation that the ribbon cutting for BackCounty was scheduled for Friday, August 24th at 10 a.m. This was confirmed by the County Administrator.

PFRWTA Ribbon cutting Pepper's Ferry Regional Wastewater Treatment Authority's ribbon cutting is scheduled for August 23rd.

Planning District Commission will be doing an assessment next week. There will be a consultant and most of the Board members have been asked to fill out a survey, which is due on August 14th.

Supervisor Mary Biggs is doing well and was very pleased with the flowers from the BoS.

Supervisor Jim Politis reported that he, Supervisor Perkins, and the County Administrator will be leaving for Richmond on Tuesday to attend VACo steering committee meetings.

Pulaski County Picnic Supervisor Politis reminded everyone about the upcoming picnic hosted by Pulaski County.

Alternative Paving Projects Supervisor Politis is working with MPO Director Dan Brugh on alternative road paving projects.

ADJOURNMENT

The Chair declared the meeting adjourned to Monday, August 27, 2012 at 6:00 p.m.

The meeting adjourned at 8:59 p.m.

APPROVED: _____
James D. Politis
Chari

ATTEST: _____
F. Craig Meadows
County Administrator